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LOCAL GOVERNMENT EFFICIENCY AND FINANCING STUDY COMMISSION

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MEETING MINUTES¹

Meeting Date: October 4, 2005
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington St., the chambers of the House of Representatives
Meeting City: Indianapolis, Indiana
Meeting Number: 3

Members Present: Rep. Phil Hinkle, Chairperson; Sen. Marvin Riegsecker, Vice-Chairperson; Rep. Thomas Saunders; Rep. Robert Kuzman; Rep. Win Moses; Sen. David Long; Sen. Frank Mrvan; Phil R. Stiver; Jean P. Lushin; Ann Devore; Chris Ruhl; Darren Vogt; Ron Spencer; Judy Sharp; Mayor James Garner.

Members Absent: Sen. Timothy Lanane; Sam Talarico, Jr; Paul Ricketts.

Rep. Phil Hinkle called the meeting to order. The Commission heard public testimony and discussed the following subjects during the meeting: (1) the consolidation of city and county governments in Vanderburgh County; (2) 911 public safety answering points; and (3) municipal finance proposals from the Indiana Association of Cities and Towns.

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

I. Consolidation in Evansville and Vanderburgh County

Dr. Phillip Fisher, Project Coordinator, Evansville-Vanderburgh County Unification Study Committee, described the two year study that culminated with the July release of the Committee's proposal to consolidate city and county government in Vanderburgh County. (Exhibit 1) Under the proposal, the current government structure would be replaced by a single legislative body for the county and a mayor elected by the entire county. The proposal also calls for the county to assume assessment duties from the townships. Dr. Fisher expressed the Committee's view that unified leadership will benefit economic development in Vanderburgh County because that leadership will be able to speak in a single voice. Dr. Fisher stated that the Committee hopes that enabling legislation will pass in the 2006 session of the General Assembly allowing the issue to go before the voters in Vanderburgh County in the November 2006 election. New government posts resulting from the consolidation would be contested in a 2007 election with the winners taking office in January 2008.

Mr. Paul Black testified about the not-for-profit corporation that he and Mr. Les Shively will lead for the purpose of educating voters and affected persons about the proposal as it goes before the General Assembly and the Vanderburgh County voters. Mr. Shively compared the current efforts favorably to the failed attempt in the 1970s to consolidate government in Vanderburgh County. Mr. Shively believes that the current bipartisan effort is poised to succeed because conditions have changed in the past thirty years and people are now ready for a change.

Mr. Loyd Winnecke, President, Vanderburgh County Council, reported that the Council will soon consider a resolution in favor of a consolidation proposal going before the voters in a referendum. Mr. Winnecke also believes that a unified government will improve the county's economic development efforts.

Questions from the Commission to the Vanderburgh County witnesses focused on the politics of getting enabling legislation introduced and where local officials in Vanderburgh County generally stand at the moment. Other questions addressed concern for the role of the townships located in Vanderburgh County during the course of the unification committee's research. The Commission also questioned the witnesses about public safety under the proposed consolidation.

II. 911 Public Safety Answering Points

Captain Harold Williams, Jasper County Sheriff's Department², described trends in the consolidation of public safety answering points (PSAPs)³ as well as some of the challenges facing the local government agencies that provide PSAPs. Captain Williams touched upon some of the findings of a study on consolidation in Minnesota (Exhibit 3). Captain Williams reviewed the study's treatment of consolidation in Marion County (Exhibit 4). An appendix of the study identifies certain "do"s and "don't"s which Captain Williams provided to the Commission (Exhibit 5).

State Treasurer Tim Berry described wireless 911 funding in Indiana (Exhibit 6). When asked whether consolidation efforts will result in increased costs for county governments,

²Captain Williams is also the president of the Indiana Chapter of the National Emergency Number Association.

³Exhibit 2 is a magazine article describing consolidation in Pennsylvania.

Mr. Berry replied that there will be more stress on the county budget when it assumes costs previously covered by a city. However, Mr. Berry believes that consolidations will reduce costs to the taxpayers. Mr. Berry reported that the costs associated with providing PSAPs are going up because of rising technology, circuit, and personnel costs.

Mr. David Bottorff, Executive Director of the Association of Indiana Counties, identified the increased usage of voice over Internet protocol technology as a potential problem warning the Commission that as consumers turn away from both land line and cellular telephone service 911 funding is decreased. Mr. Bottorff stated that he believes increasing costs will drive consolidation efforts but urged the Commission not to recommend unfunded mandatory consolidations.

While much of the testimony focused on costs, the testimony of Police Chief Joe Patrick, Greenwood, addressed PSAP consolidations from a different angle. Chief Patrick testified that the dispatchers on his police force perform other duties such as monitoring child custody transfers, the police station, and the evidence room. In Greenwood, a PSAP consolidation would not alleviate the need to retain personnel to perform these duties. Chief Patrick also described the public service that his dispatchers perform when they take non-emergency calls and redirect the callers to the appropriate government agencies.

III. Municipal financing

Mr. Matthew Greller, Executive Director of the Indiana Association of Cities and Towns (IACT), testified that the association liked the direction of proposals made in the 2005 session of the General Assembly to reduce the reliance of local governments on property taxes. IACT then commissioned a study to identify alternative revenue streams. Mr. Greller told the Commission that the study did not represent the final parameters of any IACT legislative proposal as the 2006 proposals had not yet been finalized by the IACT board of directors.

Mr. William Sheldrake, President of Policy Analytics, LLC, Ms. Karen Arland, Ice Miller, and Mr. Gary Malone, Umbaugh & Associates, presented IACT's study entitled "A Proposal to Reinvent Municipal Fiscal Management and to Foster Efficiency in Indiana's Cities and Towns" to the Commission. (Exhibit 7) The proposal reviews recent volatility in income tax receipts and the recent history of municipal tax collections in a number of communities. The proposal identifies a variety of different revenue streams that when combined with budget reductions resulting from increased efficiencies can allow the communities to meet their revenue needs and reduce their use of property taxes.

Following a question and answer period concerning the proposal, Rep. Hinkle adjourned the meeting at 3:55 p.m.